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TWO DOLLARS

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CONGRESSIONAL INFO SRV 073085
4520 EAST WEST HWY #800 8507
BETHESDA MD 20814

'S: SOME SUCCESS STORIES 22
TIPS ON HOLDING TANKS 34
NVENTION/EXPO GUIDE 43

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to Sell lsed Class A Units

RV dealers around the country are bracing this fall for the adverse impact of the planned sale and auction of about 1,200 used, 27-foot Fleetwood Class A motorhomes by U-Haul International, Phoenix, Ariz.

As part of its program of rental-fleet turnover, the giant rental company plans to sell the 1984 and 1985 motorhomes at 160 locations nationwide and at a large Oct. 3 auction in Fort Worth, Texas, where 100 units are scheduled for the auctioning block, according to company spokeswoman Diane Boschian. She said that U-Haul plans to complete the sale of all units by April 1, 1988, and that the company expects to get an average $27,500 for each motorhome. U-Haul currently rents 4,000 motorhomes.

Dealers, especially those in the already depressed Texas market, expressed concern about losing buyers to U-Haul. For example, Paul Hamilton, owner of Travel Villa dealership with locations in Dallas and Alvarado, pointed out that U-Haul's anticipated sales price is highly competitive with the selling prices of his own used motorhome stock. Hamilton stated, "It (the auction) won't help us any. And it's going to play havoc with our (Texas Recreational Vehicle Association) Supershow, which is slated for Oct., 8 in Dallas.

Jerry Harrison, owner of Mack's Camper Sales, Waco, Texas, agreed that U-Haul's "dumping" of motorhomes on the market would have an adverse impact on dealerships, especially since most dealers take used units on trade when they are selling new units.

In 1986, U-Haul also sold off about one-fourth of its fleet as part of its rollover program.

U-Haul said it is encouraged by reservation growth this summer. A recent survey of U-Haul rental customers indicated that 70% are likely to rent again. Δ—*Todd Dickard*

WHEN MANAGERS TRY THEIR WINGS AS DEALERS. The general manager who wants to become an independent, competitive dealer can b[illegible] to the dealership he leaves behind—or provide opportunities for dealership gr[illegible]ovement.

GM Expects to Supply '88 California Chassis by Fall

Officials of General Motors Corp., Warren, Mich., have said that they anticipate that GM will be able to supply 1988 model Class A chassis for California-market motorhomes by late fall, based on correspondence with federal and state authorities regarding tough California emissions standards.

A stiffer California emissions law that went into effect for the 1988 model year had threatened to cut off Chevrolet and GMC Class A chassis sales for California-market motorhomes.

Although GM's 454-cid V-8 engine used in its Class A chassis will not be able to meet the new California standards, the company expects to continue supplying chassis by paying a small fine on each unit for its failure to meet the standards. That nonconformance-penalty expense

continued on page 11

SEPT. 11, 1987 TWO DOLLARS

RV BUSINESS

VOLUME 38, NUMBER 11

TABLE OF CONTENTS

RV BAROMETER

Chrysler Injects '88 Engines, Ups Tow Capabilities 7

La Mesa RV's Kimbrell Denies Bankruptcy Rumor 9

RVDA Launches Effort to Boost Convention/Expo Attendance 11

RV People 12

DAB Perspective 14

Dealers give June high ratings in terms of new and used sales.

FEATURES

Managers Become Dealers 16

The departure of a general manager who wants to try his wings as an independent, competitive dealer does not have to hurt the dealership he leaves behind.

Class B's: Succeeding In a Tough Market 22

Major van-camper manufacturers report healthy sales growth as they target their products toward new types of buyers.

RVDA Convention/Expo Guide 43

RVDA's '87 Convention/Expo in New Orleans offers some all-new features, including an aftermarket show. This brief guide offers a calendar of events and an exhibitors list for attendees.

DEPARTMENTS

Service 34

Holding tanks are one of those dirty, but necessary, service jobs. Here are some tips on repair, maintenance and customer education.

Calendar 36

In Brief 38

Brief news items covering RV companies and associations; earnings reports.

Profitmakers 39

Index to Advertisers 42

Readers' Forum 46

Classified Advertising 49

Commentary 50

22

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COVER ILLUSTRATION: DOUG PAULIN

DAB PERSPECTIVE

	NEW UNITS						USED UNITS					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	JUNE 1987	JUNE 1986	% CHANGE	1987	1986	% CHANGE	JUNE 1987	JUNE 1986	% CHANGE	1987	1986	% CHANGE
MOTORHOMES	181	140	+29	822	728	+13	156	150	+ 4	802	781	+ 3
TRAVEL TRAILERS	145	137	+ 6	723	691	+ 5	134	139	− 4	626	661	− 5
TRUCK CAMPERS	15	18	−17	135	117	+15	11	9	+22	82	68	+21
CAMPING TRAILERS	158	132	+20	772	723	+ 7	37	61	−39	224	233	− 4
FIFTH-WHEELS	37	33	+12	158	165	− 4	22	19	+16	111	89	+25

	FOR MONTH			YEAR-TO-DATE		
	JUNE 1987	JUNE 1986	% CHANGE	1987	1986	% CHANGE
SALES VOLUME	$15,005,073	$12,921,322	+16	$73,284,784	$65,470,691	+12
TOTAL UNIT SALES	896	838	+ 7	4,455	4,256	+ 5
NEW-UNIT SALES	536	460	+17	2,610	2,424	+ 8
USED-UNIT SALES	360	378	− 5	1,845	1,832	+ 1

JUNE GETS HIGH RATINGS FROM DEALERS

GAYLORD MAXWELL

According to RVB's Dealer Advisory Board, (DAB), June was one of the best months generally for RV dealers in a long time. More than two-thirds of the dealers on the board reported sales volumes higher than those of the previous June. Sales were up in four of the five new RV-type categories and in three of the used. New-unit sales overall were up significantly, although used-unit sales dropped a bit.

A most encouraging aspect of the June report was that profit ratings, both gross and net, were higher than they have been in several years. The excellent category was checked more than any other. Used units were bringing excellent prices, and the accessories-and-service business was booming.

New-unit inventories were rated high by several dealers, but generally the DAB members believed they were in good shape in June—inventories were even said to be low by a few. The supply of used units was apparently on the low side, with almost half of the DAB members rating their inventories low—a fact which might account for the slight dip in used-unit sales. Lot traffic, however, was not considered to be high.

Motorhomes

Motorhome dealers, particularly the very large-volume ones on the DAB, had a field day in June. Both new-unit sales and profits were reported to be unusually good. Used units didn't keep pace with new, partly due to the fact that the supply wasn't as good as it should be, but profits remained strong.

Travel Trailers

The June new-unit sales increase for this type wasn't phenomenal, but it slightly topped the year-to-date increase of 5%. A couple of large, multitype dealers had very weak trailer sales, and their figures brought the average down. Profit ratings were overwhelmingly good, with a few dealers rating them higher or lower. Used sales were down a bit and close to the average for the year-to-date.

Truck Campers

The rather large percentage drop in new-unit sales didn't mean much because it denoted a sales decrease of only three units. The fact that a couple of DAB members who dabbled in campers have recently dropped them created some problem with DAB's small numbers. Profits were rated excellent by the one DAB camper specialist. Used sales were considerably better than new sales for the month. Year-to-date, campers were still doing quite well compared to last year.

Camping Trailers

Some of the DAB members who know how to push fold-downs had a ball in June. The 20% increase in new-unit sales was largely due to the efforts of three dealers (two medium-size trailer specialists and a large, multitype dealer), who greatly improved on their already impressive sales records for last June.

Fifth-wheels

Fiver sales haven't kept pace with the sales increases of other RV types for DAB members this year. It was the only category that had a minus year-to-date figure in June. However, the slight increase for June itself provided some reason for optimism. Used units were selling well, and profits for both new and used were good to excellent. Δ

The "DAB Perspective" is a compilation of data provided by *RV Business*' Dealer Advisory Board (DAB), a group comprised of 24 dealers representing a cross-section of the U.S. dealer body.

Gaylord Maxwell, chairman
Dave Altman, Baldwin Park, Calif.
Annette Autry-Miller, Fayetteville, N.C.
Robert Azevedo, Sunnyvale, Calif.
Jack Cole, North Hollywood, Calif.
Dick Dasson, Victor, N.Y.
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Crosby Forrest, Newport News, Va.
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Jerry Harrison, Waco, Texas
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Bill Thomas, Bridgeton, Mo.
Fran Van Pelt, Aurora, Ill.
Larry Washburn, Lakewood, Colo.

This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.